# WORKFORCE OBSERVATIONS

for the Bay Area WDA counties
Brown, Door, Florence, Kewaunee, Manitowoc, Marinette, Menominee, Oconto, Shawano, and Sheboygan Counties

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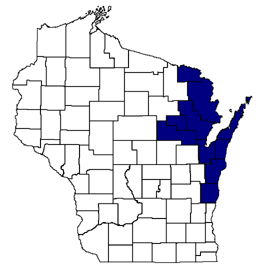

**Fall 2005**

In this issue:

⇒ Final 2005 Bay Area WDA population estimates released by Wisconsin Department of Administration

⇒ Third quarter 2005 Bay Area WDA jobs numbers are flat over the quarter and down over the year

⇒ Bay Area unemployment rates continue lower trend annually

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## Final Population Estimates released for 2005

Final 2005 population figures tabulated by the Wisconsin Department of Administration have recently been released and they continue to show vibrant residential growth in the Bay Area WDA and Fox Valley WDA counties. The 17 counties, combined, have added over 53,300 more residents since the 2000 Census for a faster than state-average growth rate of 4.6 percent.

| WDA | County | Census 2000 Population | July 1, 2005 Population Estimate | # Change | % Change |
|---|---|---|---|---|---|
| Bay Area | Brown | 226,658 | 240,404 | 13,746 | 6.1% |
| Fox Valley | Outagamie | 161,091 | 170,680 | 9,589 | 6.0% |
| Fox Valley | Winnebago | 156,763 | 163,244 | 6,481 | 4.1% |
| Bay Area | Sheboygan | 112,656 | 116,075 | 3,419 | 3.0% |
| Fox Valley | Fond du Lac | 97,296 | 100,180 | 2,884 | 3.0% |
| Bay Area | Manitowoc | 82,893 | 84,480 | 1,587 | 1.9% |
| Fox Valley | Waupaca | 51,825 | 53,351 | 1,526 | 2.9% |
| Bay Area | Marinette | 43,384 | 44,471 | 1,087 | 2.5% |
| Bay Area | Shawano | 40,664 | 42,029 | 1,365 | 3.4% |
| Fox Valley | Calumet | 40,631 | 45,168 | 4,537 | 11.2% |
| Bay Area | Oconto | 35,652 | 38,243 | 2,591 | 7.3% |
| Bay Area | Door | 27,961 | 29,299 | 1,338 | 4.8% |
| Fox Valley | Waushara | 23,066 | 24,918 | 1,852 | 8.0% |
| Bay Area | Kewaunee | 20,187 | 21,082 | 895 | 4.4% |
| Fox Valley | Green Lake | 19,105 | 19,375 | 270 | 1.4% |
| Bay Area | Florence | 5,088 | 5,213 | 125 | 2.5% |
| Bay Area | Menominee | 4,562 | 4,616 | 54 | 1.2% |
| | **Total** | **1,149,482** | **1,202,828** | **53,346** | **4.6%** |
| | Wisconsin | 5,363,715 | 5,580,757 | 217,042 | 4.0% |

The Bay Area WDA, the larger of the two regions totaling almost 626,000 residents whom are spread over 10 counties, grew 4.4 percent over the last five years. The Fox Valley WDA, at approximately 577,000 inhabitants, grew a bit faster, 4.9 percent, adding 27,000 more residents. The Fox Valley WDA, though less populous than the Bay Area WDA, added just over 1,000 more residents than the Bay Area since the 2000 Census.

The population along the U.S. Highway 41 corridor, from Fond du Lac County and continuing all the way to Green Bay, is growing quickly sprouting new housing development and businesses establishments in support of the growing residential base. The smaller cities and towns along this route are taking on characteristics of 'exburbs', which resemble much larger central city and suburban areas, yet are not so dependent upon a single economic hub, but rather multiple labor markets in multiple directions. It is likely that as residential growth pushes outward of the regions' central cities, these smaller exburban communities will grow the fastest. In general, it would not be surprising that within the next five to 15 years that the Appleton MSA, the Oshkosh-Neenah MSA and the Green Bay MSA become a single, large metropolitan area.

This feature examines both the Fox Valley and Bay Area WDA together because of their shared population dynamics and economic integration. While one may be hard pressed to find many Fond du Lac residents commuting seven counties north into Florence County for work, the metropolitan counties in both WDAs are experiencing a greater degree of interdependence between their labor markets.

Eight of the 17 counties in these two regions are deemed 'metropolitan' and when combined, these eight counties compose 71 percent of the aggregate regional population. Not all of these metro counties are quintessentially urban or suburban types.

*(Continued on page 2)*

## Local/State/National Quarterly Unemployment Rates

| | Third Quarter 2005 Average Labor Force | | | |
|---|---|---|---|---|
| | Total Labor Force | # of Employed | # of Unemployed | Unemploy. Rate |
| Brown County | 137,100 | 131,500 | 5,600 | 4.1% |
| Door County | 18,000 | 17,300 | 600 | 3.5% |
| Florence County | 2,800 | 2,600 | 200 | 5.9% |
| Kewaunee County | 11,900 | 11,500 | 500 | 3.9% |
| Manitowoc County | 45,700 | 43,700 | 2,000 | 4.3% |
| Marinette County | 22,900 | 21,800 | 1,100 | 5.0% |
| Menominee County | 1,700 | 1,500 | 200 | 11.4% |
| Oconto County | 20,300 | 19,400 | 900 | 4.5% |
| Shawano County | 22,200 | 21,300 | 900 | 4.2% |
| Sheboygan County | 64,600 | 62,100 | 2,500 | 3.9% |
| Bay Area WDA | 347,200 | 332,700 | 14,500 | 4.2% |
| City of Green Bay | 58,900 | 55,300 | 3,500 | 6.0% |
| City of Manitowoc | 18,100 | 17,200 | 900 | 5.1% |
| City of Sheboygan | 27,300 | 26,000 | 1,300 | 4.9% |
| Wisconsin | 3,062,400 | 2,931,600 | 130,800 | 4.3% |
| United States | 150,476,300 | 143,001,300 | 7,475,000 | 5.0% |
| | *Change Compared to Previous Quarter* | | | |
| Brown County | -810 | -210 | -600 | -0.4% |
| Door County | 1,140 | 1,360 | -220 | -1.5% |
| Florence County | 10 | 20 | -10 | -0.2% |
| Kewaunee County | -50 | -20 | -30 | -0.2% |
| Manitowoc County | 450 | 730 | -270 | -0.7% |
| Marinette County | -110 | 20 | -130 | -0.5% |
| Menominee County | 20 | 10 | 10 | 0.4% |
| Oconto County | -190 | -30 | -160 | -0.7% |
| Shawano County | 10 | 150 | -140 | -0.6% |
| Sheboygan County | 210 | 320 | -100 | -0.2% |
| Bay Area WDA | 690 | 2,340 | -1,650 | -0.5% |
| City of Green Bay | -490 | -90 | -400 | -0.6% |
| City of Manitowoc | 200 | 290 | -80 | -0.5% |
| City of Sheboygan | 100 | 130 | -30 | -0.1% |
| Wisconsin | 10,000 | 22,800 | -12,800 | -0.4% |
| United States | 1,316,700 | 1,339,300 | -22,300 | -0.1% |
| | *Change Compared to Same Quarter, Previous Year* | | | |
| Brown County | -3,300 | -3,030 | -270 | -0.1% |
| Door County | -200 | -120 | -80 | -0.4% |
| Florence County | -10 | -30 | 20 | 0.7% |
| Kewaunee County | -230 | -260 | 30 | 0.3% |
| Manitowoc County | -790 | -410 | -390 | -0.8% |
| Marinette County | -390 | -250 | -140 | -0.5% |
| Menominee County | -30 | -30 | 0 | 0.1% |
| Oconto County | -560 | -450 | -110 | -0.4% |
| Shawano County | -370 | -360 | -10 | 0.0% |
| Sheboygan County | -1,230 | -960 | -270 | -0.3% |
| Bay Area WDA | -7,110 | -5,890 | -1,220 | -0.3% |
| City of Green Bay | -1,490 | -1,270 | -220 | -0.2% |
| City of Manitowoc | -340 | -160 | -180 | -0.9% |
| City of Sheboygan | -580 | -400 | -180 | -0.6% |
| Wisconsin | -27,100 | -19,300 | -7,900 | -0.2% |
| United States | 2,286,700 | 2,812,300 | -526,000 | -0.4% |

Source: DWD Office of Economic Advisors analysis of data supplied by DWD Bureau of Workforce Information and the U.S. DOL Bureau of Labor Statistics. Data are not seasonally adjusted and are preliminary.

*(Continued from page 1)*

For example, Kewaunee, Oconto and Calumet counties range from approximately 20,000 to 40,000 in total population, which is smaller than some of the cities in these two workforce development areas. Geographically speaking, 82 percent of the aggregate population growth occurred in these eight metro counties, which is disproportionately high growth considering that 71 percent of the total residential base lives in these eight counties. But this is not necessarily surprising either as metro counties, while almost always larger than average in population, have been growing faster for a number of years, particularly in the Fox Valley region.

The nine non-metropolitan counties gained a net total of 9,200 residents for 3.1 percent growth. This is slower than the regional and statewide population growth rates.

The largest county within the two regions is Brown County at almost one-quarter million in population. The two most sparsely populated counties are Menominee and Florence Counties at 4,600 and 5,100 residents, respectively. Coincidentally, all three of these counties are in the Bay Area WDA. As for the Fox Valley, Outagamie and Winnebago are virtually neck and neck in population with 170,000 and 163,000 residents, respectively. Green Bay gets a great deal of attention for being the third largest city in the state, but the close proximity of Oshkosh, Appleton and Neenah to one another make for an even larger municipal base despite the fact that all three are separate civil jurisdictions.

The fastest growing county in the Bay Area WDA over the last five years is Oconto County with 7.3 percent growth (+2,600 residents). The slowest growing county in the Bay Area is Menominee growing 1.2 percent and adding 54 residents between 2000 and 2005. Oconto County is now deemed a member of the Green Bay MSA reflecting the burgeoning job growth in the greater Green Bay area. In fact, about 37 percent of Oconto County's employed commute into Brown County for work. From 2000 to 2004, the Green Bay MSA experienced the second fastest and second largest total nonfarm job growth among all Wisconsin metro areas ranking behind the Madison MSA.

## Local/State/National Quarterly Industry Employment

| | United States | Wisconsin | Green Bay MSA | Sheboygan MSA | Door County | Florence County | Manitowoc County | Marinette County | Menominee County | Shawano County | Bay Area WDA |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | **Avg Quarterly Number of Jobs by Industry Sector** | | | | | | | | | | |
| | Q3-2005 | Q3-2005 | Q3-2005 | Q3-2005 | Q3-2005 | Q3-2005 | Q3-2005 | Q3-2005 | Q3-2005 | Q3-2005 | Q3-2005 |
| All Industries | 133,900,200 | 2,849,100 | 167,500 | 62,500 | 14,620 | 1,210 | 36,520 | 21,100 | 1,990 | 12,810 | 318,200 |
| Construction/Natural Resources | 8,190,000 | 146,900 | 9,600 | 2,800 | 1,020 | 80 | 2,280 | 910 | 0 | 620 | 17,300 |
| Manufacturing | 14,310,300 | 508,400 | 31,500 | 23,400 | 2,000 | 320 | 10,810 | 6,590 | 0 | 2,170 | 76,800 |
| Total Trade | 20,946,700 | 433,500 | 25,400 | 8,000 | 2,120 | 130 | 4,190 | 2,990 | 50 | 2,250 | 45,100 |
| Wholesale Trade | 5,755,300 | 118,300 | 6,500 | 1,600 | xx | xx | xx | xx | xx | xx | xx |
| Retail Trade | 15,191,400 | 315,200 | 18,900 | 6,400 | xx | xx | xx | xx | xx | xx | xx |
| Transport/Warehouse/Utilities | 4,936,800 | 108,000 | 11,300 | 1,300 | 160 | 30 | 1,670 | 770 | 0 | 280 | 15,600 |
| Financial Activities | 8,288,700 | 159,600 | 11,200 | 2,400 | 670 | 40 | 1,110 | 550 | 20 | 480 | 16,500 |
| Education and Health Services | 17,154,300 | 380,600 | 20,500 | 6,900 | 1,480 | 80 | 4,950 | 3,100 | 0 | 1,500 | 38,600 |
| Leisure and Hospitality | 13,264,000 | 273,600 | 14,800 | 4,700 | 3,680 | 240 | 3,220 | 1,820 | 50 | 1,440 | 30,000 |
| Info./Prof./Bus.and Other Services | 25,812,300 | 448,900 | 24,100 | 6,800 | 1,840 | 90 | 3,880 | 2,470 | 40 | 1,310 | 40,600 |
| Information | 3,157,700 | 50,100 | 2,300 | 300 | xx | xx | xx | xx | xx | xx | xx |
| Professional and Business Services | 17,152,300 | 262,700 | 14,700 | 3,500 | xx | xx | xx | xx | xx | xx | xx |
| Other Services | 5,502,300 | 136,100 | 7,100 | 3,000 | xx | xx | xx | xx | xx | xx | xx |
| Fed/State/Local Government | 20,997,000 | 389,700 | 19,000 | 6,200 | 1,650 | 210 | 4,420 | 1,900 | 1,830 | 2,750 | 37,900 |
| | **Change in Avg. # of Jobs Compared to Previous Quarter** | | | | | | | | | | |
| All Industries | -168,800 | 8,700 | -1,430 | -100 | 1,190 | -40 | 510 | -100 | -20 | -10 | 0 |
| Construction/Natural Resources | 284,000 | 8,400 | 100 | 100 | 30 | 10 | 250 | 60 | 0 | 50 | 600 |
| Manufacturing | 5,300 | 6,000 | 530 | 200 | 80 | -10 | 320 | 110 | 0 | 40 | 1,300 |
| Total Trade | 120,100 | 3,400 | 130 | 130 | 210 | 0 | -30 | 70 | 0 | 10 | 500 |
| Wholesale Trade | 24,300 | 1,300 | 130 | 0 | xx | xx | xx | xx | xx | xx | xx |
| Retail Trade | 95,800 | 2,100 | 0 | 130 | xx | xx | xx | xx | xx | xx | xx |
| Transport/Warehouse/Utilities | -5,200 | -800 | 70 | 0 | 20 | 0 | 30 | 0 | 0 | -10 | 100 |
| Financial Activities | 80,300 | 1,300 | 200 | 70 | 30 | 0 | 10 | 10 | 10 | 0 | 300 |
| Education and Health Services | -167,000 | -1,700 | -200 | -100 | 20 | 0 | 20 | 10 | 0 | -10 | -300 |
| Leisure and Hospitality | 284,700 | 13,600 | 0 | 0 | 790 | 20 | 150 | 90 | 0 | 100 | 1,100 |
| Info./Prof./Bus.and Other Services | 234,700 | 9,000 | -70 | 30 | 120 | 0 | -20 | 30 | 0 | -10 | 100 |
| Information | 5,000 | -700 | -70 | 0 | xx | xx | xx | xx | xx | xx | xx |
| Professional and Business Services | 228,000 | 9,500 | 130 | 70 | xx | xx | xx | xx | xx | xx | xx |
| Other Services | 1,700 | 200 | -130 | -30 | xx | xx | xx | xx | xx | xx | xx |
| Fed/State/Local Government | -1,005,700 | -30,500 | -2,200 | -530 | -120 | -70 | -220 | -490 | -20 | -180 | -3,800 |
| | **Change in Avg. # of Jobs Compared to Same Quarter in 2004** | | | | | | | | | | |
| All Industries | 2,257,900 | 18,900 | -1,730 | -400 | 160 | 0 | 290 | 160 | -50 | 50 | -1,500 |
| Construction/Natural Resources | 314,300 | 5,300 | -430 | 0 | -10 | 0 | 10 | 50 | 0 | -10 | -400 |
| Manufacturing | -102,700 | -700 | -130 | 170 | 50 | 20 | -60 | 40 | 0 | -100 | 0 |
| Total Trade | 264,800 | -900 | 0 | 470 | -10 | 0 | -10 | 50 | 0 | 80 | 600 |
| Wholesale Trade | 71,400 | 2,600 | 100 | 70 | xx | xx | xx | xx | xx | xx | xx |
| Retail Trade | 193,400 | -3,400 | -100 | 400 | xx | xx | xx | xx | xx | xx | xx |
| Transport/Warehouse/Utilities | 103,800 | 400 | 430 | -30 | 10 | 0 | -10 | 40 | 0 | -10 | 400 |
| Financial Activities | 180,700 | 1,300 | 300 | 70 | 20 | 0 | 60 | 10 | 0 | 30 | 500 |
| Education and Health Services | 419,300 | 4,700 | -70 | 70 | 10 | -10 | 110 | 20 | 0 | -10 | 100 |
| Leisure and Hospitality | 302,700 | 4,000 | -830 | -630 | 70 | 0 | -40 | 10 | 10 | 30 | -1,400 |
| Info./Prof./Bus.and Other Services | 569,000 | 5,800 | -330 | -570 | 20 | 10 | 20 | 0 | 0 | -30 | -900 |
| Information | 14,300 | 200 | -100 | 0 | xx | xx | xx | xx | xx | xx | xx |
| Professional and Business Services | 519,000 | 5,800 | -300 | -300 | xx | xx | xx | xx | xx | xx | xx |
| Other Services | 35,700 | -300 | 70 | -270 | xx | xx | xx | xx | xx | xx | xx |
| Fed/State/Local Government | 206,000 | -1,000 | -670 | 70 | -20 | -20 | 230 | -60 | -50 | 80 | -400 |

Source: DWD Office of Economic Advisors analysis of Current Employment Statistics (CES) data supplied by DWD Bureau of Workforce Information and the U.S. DOL Bureau of Labor Statistics. These not seasonally adjusted, preliminary figures are rounded and may not sum to the all industries total. The Green Bay MSA consists of Brown, Kewaunee and Oconto counties. The Sheboygan MSA is Sheboygan County.

## Bay Area WDA -Third Quarter 2005 (July, August and September)

**Labor Force**

The Bay Area WDA unemployment rate was 4.2 percent for the third quarter. This was slightly lower than the statewide rate and was significantly lower than the national clip of 5.0 percent. Brown County, the most "influential" county in the WDA with 40 percent of the region's labor force closely resembled the regional rate at 4.1 percent. Door County posted the lowest Bay Area rate in the third quarter at 3.5 percent, which is an amazing turn around considering the county's rate of 8.5 percent in the first quarter was the highest among the region's ten counties. Kewaunee and Sheboygan counties also registered rates below the four percent mark for the third quarter. Menominee County's third quarter unemployment rate, 11.4 percent, was the region's highest followed by Marinette County at 5.0 percent. The City of Green Bay, at 6.0 percent, had the highest municipal rate in the third quarter.

Labor markets in the third quarter are usually near peak levels usually tallying the highest job counts of the calendar year. And as the number of jobs increased in these warmer months, the unemployment rates fell. High school and college students on summer break and others seeking part-year work took advantage of the job opportunities offered by many of the region's tourism-related industries. Year round industries also tend to ramp up in the warmer months seeking extra workers.

With the exception of Menominee County, every other Bay Area county had a lower unemployment rate in the third quarter compared to its second quarter rate. Door County's dropped the most—by 1.5 percent point. Overall, the WDA unemployment rate was five-tenths of a percentage point lower compared to average for the second quarter months of April, May and June. This one-half a point quarterly reduction was the net result of the region having over 2,300 more employed residents coupled with almost 1,700 fewer unemployed.

The quarterly view of this labor market information helps to smooth out the changes that are seen on a monthly basis and helps to create fuller picture of the local economy. But for all intents and purposes, the annual perspective is an even better barometer of the labor market. The Bay Area WDA's unemployment rate is three tenths of percentage point lower than what averaged in Q3/2004. The region's labor force was about two percent smaller (-7,100 participants) than the same period in 2004 with almost 5,900 fewer employed and more than 1,200 fewer employed residents. This apparent contraction of the labor force compared to 2004 has been measured throughout all of 2005 and it is not unique to this region. Wisconsin's labor force is about one percent smaller, annually. The nation's labor force has grown 1.5 percent annually.

The largest annual drop in the unemployment rate was measured in Manitowoc County, down eight-tenths of a percentage point. Three other regional counties showed higher quarterly unemployment rates compared to Q3/2004: Florence, Kewaunee and Menominee counties. Shawano's rate was unchanged, annually.

**Industry Employment**

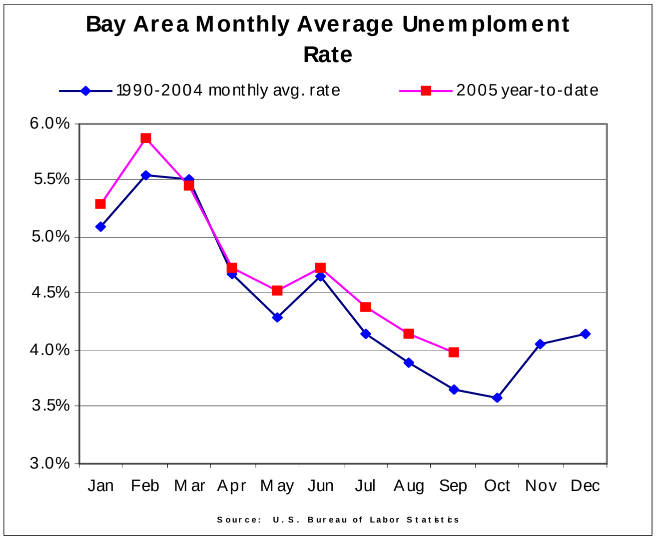
The region's third quarter total of nonfarm wage and salary employment was estimated to be 318,200 jobs, which was virtually unchanged compared to Q2/2005. Manufacturing and leisure and hospitality showed the largest quarterly job gains with 1,300 and 1,100 jobs, respectively. The largest quarterly job losses were in the education and health services sector (-300 jobs) and government employment (-3,800 jobs). These reductions reflected the summer break for public and private schools' employment—kindergarten through college. The construction sector gained 600 jobs in the third quarter.

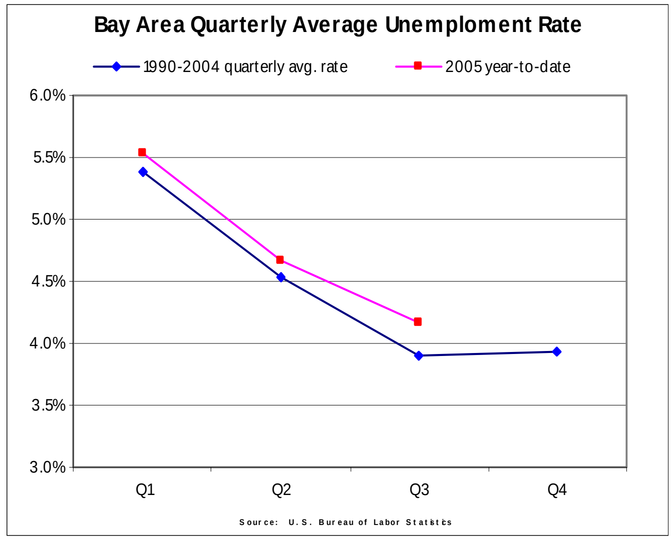
Manitowoc and Door counties showed the largest overall quarterly job gains. In fact, they were the only two to show a net gain in jobs. The three-county Green Bay MSA showed the largest quarterly jobs loss down by over 1,400 jobs. The remaining counties and MSAs show quarterly job losses ranging from 10 to 100 jobs, overall. These net losses were a bit deceiving, though, chiefly attributed to seasonal reductions in schools' employment, just as the WDA reflected. These school employment decreases masked significant job gains in leisure and hospitality and total trade employment among the Bay Area counties and MSAs.

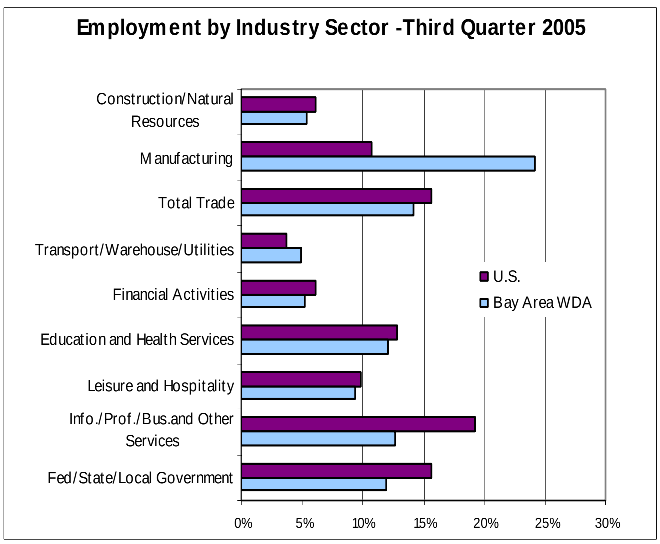
The annual Bay Area job perspective (comparing Q3/2005 to Q3/2004) shows a net loss of 1,500 jobs. This overall decrease was rooted in a 1,400-job loss in leisure and hospitality employment followed by –900 jobs ands –400 jobs in information, professional, business and other services employment; and construction and natural resources employment, respectively. Total government employment also showed a reduction of 400 jobs. These annual losses were somewhat offset by a 600-job gain in manufacturing employment (the majority of this gain in Sheboygan County, alone) and a 500-job gain in financial activities employment.

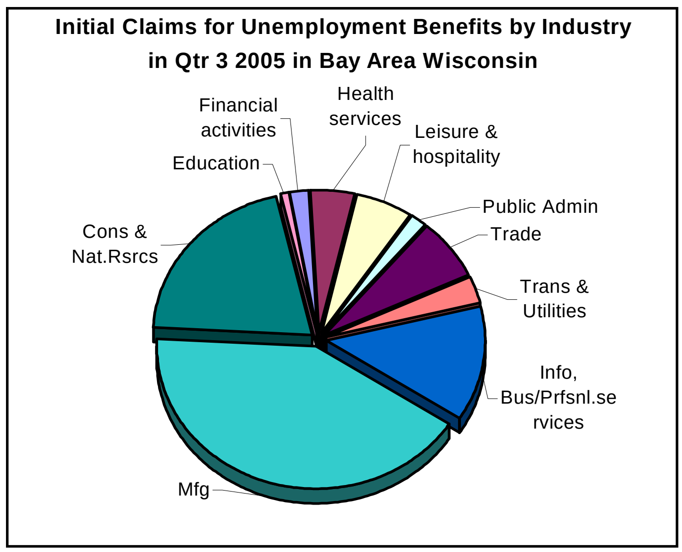
Manitowoc County showed the largest annual job growth among the regional counties on a numeric basis (+290 jobs). Door County showed the largest proportional growth at 1.1 percent. Menominee County has the largest proportional jobs loss (-2.6%). And the Green Bay MSA had the largest numeric job loss, down more than 1,700 jobs compared to Q3/2004.

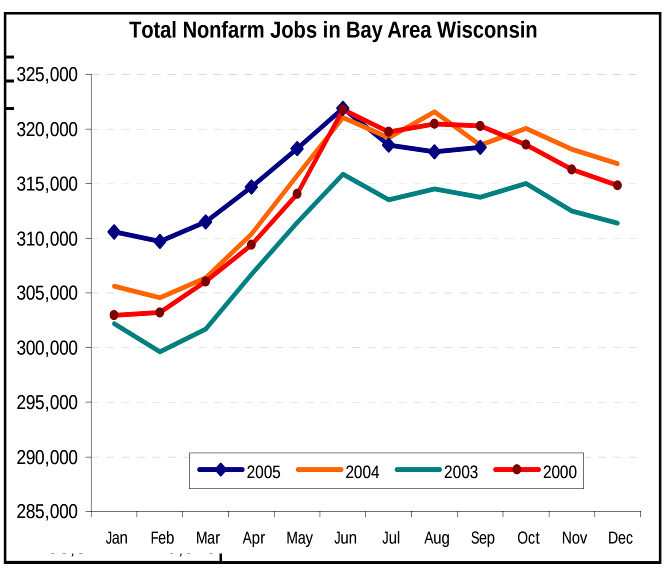
# The Bay Area WDA Workforce Album




| | Change over previous quarter | | | | over yr |
|---|---|---|---|---|---|
| **Consumer Price Index - All items** | **Qtr 1 2005** | **Qtr 2 2005** | **Qtr 3 2005*** | **Qtr 4 2005** | **Qtr 3 2004** |
| United States | 0.6% | 1.3% | 1.2% | | 3.8% |
| Midwest cities (50,000-1.5 million pop.) | 0.5% | 1.2% | 1.6% | | 4.2% |
| Midwest cities (less than 50,000 pop.) | 1.0% | 1.5% | 1.7% | | 4.7% |
| **Employment Cost Index** | | | | | |
| **Civilian total compensation** | 1.1% | 0.6% | 0.9% | | 3.1% |
| Private industry total compensation | 1.1% | 0.7% | 0.6% | | 3.0% |
| Local & state govt. total compensation | 0.9% | 0.3% | 1.8% | | 3.7% |
| **Civilian wages** | 0.7% | 0.5% | 0.8% | | 2.3% |
| Private wages | 0.7% | 0.6% | 0.7% | | 2.2% |
| Local & state government wages | 0.6% | 0.2% | 1.3% | | 2.7% |
| **Civilian benefits** | 2.2% | 0.7% | 1.1% | | 5.1% |
| Private industry benefits | 2.3% | 0.8% | 0.7% | | 4.8% |
| Local & state government benefits | 1.4% | 0.5% | 3.0% | | 6.1% |

Source: US Bureau of Labor Statistics * current quarter